

**AGREEMENT**

**December 18, 2024**

**Between**

**BNSF RAILWAY COMPANY**

**and**

**INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS**

## **AGREEMENT**

THIS AGREEMENT, made this 18<sup>th</sup> day of December, 2024 by and between the BNSF Railway Company ("BNSF") and its employees represented by the International Brotherhood of Electrical Workers ("IBEW") amends the parties' collective bargaining agreements in advance of the 2025 round of national bargaining and in full and final satisfaction of the parties' rights to serve notice and amend their agreements, relative to the 2025 round of national bargaining, pursuant to the moratorium provisions of the agreements and the Railway Labor Act, as amended, 45 U.S.C. § 151, et seq.

### **IT IS HEREBY AGREED:**

#### **ARTICLE I – WAGES**

##### **Section 1 – First General Wage Increase**

On July 1, 2025, all hourly, daily, weekly, and monthly rates of pay in effect on June 30, 2025 for employees covered by this Agreement shall be increased in the amount of four (4) percent. The increase provided for in this Section 1 shall be applied as follows:

(a) Disposition of Fractions -

Rates of pay resulting from the application of the general wage increase set forth above, which end in fractions of a cent shall be rounded to the nearest whole cent, fractions less than one-half cent shall be dropped, and fractions of one-half cent or more shall be increased to the nearest full cent.

(b) Application of Wage Increases -

The increase in wages provided for in this Section 1 shall be applied in accordance with the wage or working conditions agreement(s) in effect between BNSF and IBEW. Special allowances not included in fixed hourly, daily, weekly, or monthly rates of pay for all services rendered, and arbitraries representing duplicate time payments, will not be increased. Overtime hours will be computed in accordance with individual schedules for all overtime hours paid for.

##### **Section 2 – Second General Wage Increase**

Effective July 1, 2026, all hourly, daily, weekly, and monthly rates of pay in effect on June 30, 2026 for employees covered by this Agreement shall be increased in the amount of three-and-three-quarters (3.75) percent. The increase provided for in this Section 2 shall be applied in the same manner as provided for in Section 1 hereof.

##### **Section 3 – Third General Wage Increase**

Effective July 1, 2027, all hourly, daily, weekly, and monthly rates of pay in effect on June 30, 2027 for employees covered by this Agreement shall be increased in the amount of three-and-one-half (3.5) percent. The increase provided for in this Section 3 shall be applied in the same manner as provided for in Section 1 hereof.

#### **Section 4 – Fourth General Wage Increase**

Effective July 1, 2028, all hourly, daily, weekly, and monthly rates of pay in effect on June 30, 2028 for employees covered by this Agreement shall be increased in the amount of three-and-one-quarter (3.25) percent. The increase provided for in this Section 4 shall be applied in the same manner as provided for in Section 1 hereof.

#### **Section 5 – Fifth General Wage Increase**

Effective July 1, 2029, all hourly, daily, weekly, and monthly rates of pay in effect on June 30, 2029 for employees covered by this Agreement shall be increased in the amount of three (3) percent. The increase provided for in this Section 5 shall be applied in the same manner as provided for in Section 1 hereof.

### **ARTICLE II – VACATION**

#### **Section 1 – Vacation for New Hires (Year 0)**

Effective January 1, 2025, new hire employees working full-time will have paid vacation days, to be taken as single day vacation subject to all applicable rules, based on their date of hire month (in Year 0) as follows:

- January/February                      5 days
- March/April                              4 days
- May/June                                 3 days
- July/August                              2 days
- September/October                    1 day

\*Employees working alternative work schedules will earn this entitlement in accordance with local agreement terms.

#### **Section 2 -- Vacation Year 1 Non-qualifying Employees**

Effective January 1, 2025, employees working full-time in their second calendar year of employment (Year 1) who did not qualify for vacation in the prior year (Year 0) under the National Vacation Agreement but who worked a full-time schedule will have five (5) paid vacation days subject to all applicable rules.

### **Section 3 - Vacation Accrual Acceleration**

Effective January 1, 2025, the collective agreement provisions with respect to granting of vacation will be amended to reflect the following accrual schedules:

(a) Effective with the calendar year 1973, an annual vacation of five (5) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred twenty (120) days during the preceding calendar year.

(b) Effective with the calendar year 1973, an annual vacation of ten (10) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred ten (110) days during the preceding calendar year and who has two (2) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred ten (110) days in each of two (2) of such years, not necessarily consecutive.

(c) Effective with the calendar year 2025, an annual vacation of fifteen (15) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has six (6) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred (100) days in each of six (6) of such years, not necessarily consecutive.

(d) Effective with the calendar year 2025, an annual vacation of twenty (20) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has fifteen (15) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred (100) days in each of fifteen (15) of such years, not necessarily consecutive.

(e) Effective with the calendar year 2025, an annual vacation of twenty-five (25) consecutive work days with pay will be granted to each employee covered by this Agreement who renders compensated service on not less than one hundred (100) days during the preceding calendar year and who has twenty-three (23) or more years of continuous service and who, during such period of continuous service renders compensated service on not less than one hundred (100) days in each of twenty-three (23) of such years, not necessarily consecutive.

### **Section 4 - Single Day Vacation**

Effective January 1, 2025, employees will be permitted to take five (5) days of their accrued vacation allowance as single vacation days within each calendar year, subject to all applicable rules. This will not impair any agreements providing for the scheduling of more than five (5) days of vacation as single day vacation.

## **ARTICLE III – Health and Welfare**

### **Section 1 – Continuation of Plan**

The Railroad Employees National Health and Welfare Plan (“the Plan”), modified as provided in this Article with respect to employees represented by the Organization and their eligible dependents, shall be continued subject to the provisions of the Railway Labor Act.

### **Section 2 – Approval and Authorization**

The provisions of Article III, Section 3 set forth herein are expressly contingent upon authorization, approval and implementation by the National Carriers’ Conference Committee (NCCC) as an administrator for The Railroad Employees National Health & Welfare Plan.

### **Section 3 – Health and Welfare Changes**

- A. Effective January 1, 2025, coverage for surviving dependents will be extended through the end of the sixth (6<sup>th</sup>) month following the month in which the employee dies.
- B. Effective January 1, 2025, plan benefits will include male sterilization procedures (i.e., vasectomy), not including reversals.
- C. Effective January 1, 2025, the individual annual maximum dental benefit will be increased from \$1,500 to \$2,500, and the individual lifetime maximum orthodontia benefit will be increased from \$1,000 to \$2,500.
- D. Effective January 1, 2025, the vision frame allowance will be increased from \$115 every two years to \$250 every two years.
- E. Effective January 1, 2025, the monthly payment for employees who elect to opt-out of coverage under the national health and welfare plan will be increased from \$100 to \$200.
- F. Effective January 1, 2025, or as soon as reasonably practicable thereafter, the plan will offer a new medical coverage option with a reduced employee-only rate.
  - 1) There will be a single funding pool to include existing plan options and the new reduced-rate option.
  - 2) The employee-only reduced-rate option employee monthly contribution will be ten percent (10%) of the carrier’s monthly payment rate, and will be subject to the provisions of the Side Letter covering contribution rates during the post-2030 amendable period (attached).
  - 3) The reduced-rate option will be HSA eligible.
  - 4) The reduced-rate option will have the following plan design features:

	<b>In Network</b>	<b>Out of Network</b>
<b>Deductible</b>	\$2,500	\$5,000
<b>Out of pocket maximum</b>	\$5,000	\$10,000
<b>Coinsurance – office visits and in/outpatient care</b>	90% after deductible	70%
<b>RX – generic coinsurance (retail and mail order)</b>	10% after deductible	75% of R&C
<b>RX – formulary (retail and mail order)</b>	20% after deductible	75% of R&C
<b>RX – non-formulary (retail and mail order)</b>	30% after deductible	75% of R&C
<b>Employee contributions</b>	10% of payment rate (2025 = \$185.03/month)	

G. Effective January 1, 2025, the following medical and prescription drug plan rules and practices will be implemented:

- 1) Improper billing detection and mitigation programs where available with the plan's medical vendors.
- 2) Out of network referenced-based pricing programs where available with the plan's medical vendors.
- 3) Full utilization management rules package for specialty drugs and four additional non-specialty therapeutic classifications (anti-infective agents, central nervous system, gastroenterology and ophthalmology)

#### **Section 4 - Monthly Employee Cost-Sharing Contributions (n/a to reduced-rate option)**

A. Effective January 1, 2025, each employee covered by this Agreement shall contribute to the Plan, for each month that the employer is required to make a contribution to the Plan on the employee's behalf for foreign-to-occupation health benefits coverage for the employee and/or the employee's dependents, a monthly contribution equal to 15% of the Carriers' Monthly Payment Rate. Effective on each subsequent January 1, the monthly employee cost-sharing contribution shall be adjusted to reflect 15% of the Carrier's Monthly Payment Rate for the relevant year.

B. For purposes of subsection (A) above, the "Carrier's Monthly Payment Rate" for any year shall mean one twelfth of the sum of what the carrier's monthly payments to –

1. the Plan for foreign-to-occupation employee and dependent health benefits, employee life insurance benefits and employee accidental death and dismemberment insurance benefits,
2. the Dental Plan for employee and dependent dental benefits, and
3. the Vision Plan for employee and dependent vision benefits,

would have been during that year, per non-hospital association road employee, in the absence of any employee contributions in the aforementioned plans.

## **Section 5 – Other**

If existing national health care legislation is repealed, the parties will meet and confer on a voluntary basis to discuss the benefits that were previously mandated.

## **ARTICLE IV – Term**

This Agreement will remain in effect through December 31, 2029 and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended. Neither party to this Agreement will serve or progress, prior to November 1, 2029 (not to become effective before January 1, 2030), any notice or proposal pursuant to Section 6 of the Railway Labor Act, however this does not prevent the parties from proposing or agreeing upon any subject of mutual interest.

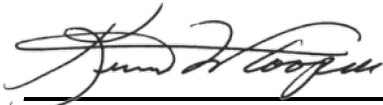
Appended: Side Letter regarding employee monthly contributions to the health and welfare plan

Side Letter regarding new hires in the health welfare plan

Side Letter regarding employee sick leave banking

Side letter regarding substitution of paid sick leave days for FMLA

## **Accepted for International Brotherhood of Electrical Workers**

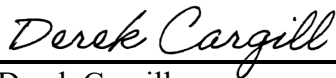


Kenneth W. Cooper  
International President  
International Brotherhood of Electrical Workers

## **Accepted for BNSF Railway Company:**



Salvatore Macedonio  
Vice President Labor Relations



Derek Cargill  
General Director Labor Relations



SALVATORE MACEDONIO  
*Vice President  
Labor Relations*

**BNSF RAILWAY COMPANY**  
P.O. Box 961030  
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E-mail [sam.macedonio@bnsf.com](mailto:sam.macedonio@bnsf.com)

December 18, 2024

Kenneth W. Cooper  
International President  
International Brotherhood of Electrical Workers  
900 Seventh Street, NW  
Washington, DC 20001


Dear President Cooper:

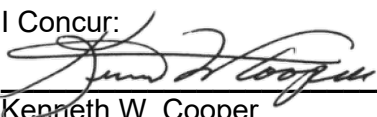
This confirms our understanding and agreement regarding employee contributions to the Railroad Employees National Health and Welfare Plan. For each month that the employer is required to make a contribution to the Plan on the employee's behalf for foreign-to-occupation health benefits coverage for themselves and/or their dependents, a monthly cost-sharing contribution by the employee shall be made in an amount equal to 15% (fifteen percent) of the Carrier's then current Monthly Payment Rate. In the event new collective agreements are not negotiated and ratified prior to January 1, 2031, the monthly cost-sharing contribution will not be increased beyond the rate last established under the terms of the January 1, 2025 agreements.

Upon ratification of successor agreement(s), the full 15% employee contribution rate will be reinstated unless otherwise agreed. If the negotiations for such successor agreement(s) result in retroactive wage increases applicable for the period that the parties are in negotiations and the employees' monthly contribution to the Health and Welfare Plan would have otherwise exceeded the rate established under the predecessor agreements, retroactive application will also be applicable to those contribution increases.

This arrangement shall not be cited in future negotiations under Section 6 of the Railway Labor Act (up through and including a Presidential Emergency Board or interest arbitration) as a reason or justification for any future increase in compensation or limit or reduction in employee health care contributions.

Please acknowledge your agreement by signing in the space provided below.

Sincerely,   
\_\_\_\_\_  
Salvatore Macedonio  
VP Labor Relations, BNSF

I Concur:   
\_\_\_\_\_  
Kenneth W. Cooper  
International President  
International Brotherhood of Electrical Workers



SALVATORE MACEDONIO  
*Vice President  
Labor Relations*

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December 18, 2024

Kenneth W. Cooper  
International President  
International Brotherhood of Electrical Workers  
900 Seventh Street, NW  
Washington, DC 20001

Dear President Cooper:

The parties agree that, contingent on NCCC approval, the current practice of new-hire employees and their eligible dependents being automatically placed in the interim Managed Medical Care Program (MMCP) upon qualification will continue to apply. New-hire employees will be provided information concerning the benefits available to the employees under the traditional MMCP and the reduced employee-only rate plan. Consistent with current practice, new-hire employees who do not make an affirmative election by the end of the third month following the month the new-hire employee renders the requisite amount of compensated service will automatically be enrolled in the traditional MMCP plan until the next open enrollment period.

Please acknowledge your agreement by signing in the space provided below.

Sincerely,

---

Salvatore Macedonio  
VP Labor Relations, BNSF

I Concur:

---

Kenneth W. Cooper  
International President  
International Brotherhood of Electrical Workers



SALVATORE MACEDONIO  
*Vice President  
Labor Relations*

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December 18, 2024

Kenneth W. Cooper  
International President  
International Brotherhood of Electrical Workers  
900 Seventh Street, NW  
Washington, DC 20001

Dear President Cooper:

This confirms our discussion and agreement regarding utilization of paid sick leave.

We have agreed that effective January 1, 2025, IBEW-represented employees will have the option to carry-over up to four (4) days of unused paid sick leave in any calendar year to a maximum bank of twenty (20) days. Banked sick leave days may only be utilized after all current year paid sick leave days are exhausted in any calendar year, and only for documented critical or long-term injury or illness. The Carrier may require the employee to provide a note from a healthcare provider to document the need for the utilization of any banked sick leave. Unused banked paid sick leave days will be paid out at 100% of the value upon the employee's resignation or retirement.

Please acknowledge your agreement by signing in the space provided below.

Sincerely,

---

Salvatore Macedonio  
VP Labor Relations, BNSF

I Concur:

---

Kenneth W. Cooper  
International President  
International Brotherhood of Electrical Workers



SALVATORE MACEDONIO  
*Vice President*  
*Labor Relations*

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December 18, 2024

Kenneth W. Cooper  
International President  
International Brotherhood of Electrical Workers  
900 Seventh Street, NW  
Washington, DC 20001

Dear President Cooper:

This confirms our discussion and agreement regarding the substitution of and employee's paid sick days for Family Medical Leave Act (FMLA) leave.

We have agreed that effective January 1, 2025, the Carrier may require an employee to substitute (as defined in 25 CFR 825.207, as amended) the employee's paid sick leave for any Family Medical Leave Act (FMLA) leave (e.g. intermittent and/or block) to the fullest extent permitted by law. The term substitute, as defined in 25 CFR 825.207, means that the paid leave provided by the employer, and accrued pursuant to established policies of the employer, will run concurrently with the unpaid FMLA leave.

This agreement does not limit any existing rights of a carrier with respect to substitution of paid leave in circumstances not described above.

Please acknowledge your agreement by signing in the space provided below.

Sincerely,

---

Salvatore Macedonio  
VP Labor Relations, BNSF

I Concur:

---

Kenneth W. Cooper  
International President  
International Brotherhood of Electrical Workers